

GOVERNOR'S EMPLOYEE ADVISORY COUNCIL
A MESSAGE FROM GOVERNOR PAUL E. PATTON

May 18, 2001

Today I signed an Executive Order establishing a process under my existing authority for classified employees of the Commonwealth to voluntarily select an employee organization to represent them on a new Governor's Employee Advisory Council. This order is summarized in a separate Fact Sheet.

The Council will convene periodically and shall provide advice and recommendations to me concerning state employee/employer relations and shall discuss with me matters pertaining to wages, hours and other terms and conditions of employment which are within my authority to decide or recommend to the General Assembly. One of the concerns this Council can address in time is inequities in state government's compensation system.

The success of our administration is due to the ability, dedication and hard work of the more than 36,000 state employees. Some state employees are paid very well by the Commonwealth. Many, perhaps more than half, are not. As I have studied the state compensation system I have discovered that great inequities exist in our treatment and compensation of our employees.

In preparing our budget for the 2000 General Assembly, I discovered that:

1. The jobs of 97 employees were assigned grades which were 5 grades lower than the job deserved (each grade represents an approximately 10% wage increase.)
2. 703 employees were 4 grades too low.
3. 3,690 employees were 3 grades too low.
4. 4,938 employees were 2 grades too low.
5. 9,047 employees were 1 grade too low.

A total of 18,475 employees, more than half the workforce, were being treated unfairly.

On the other hand, 3,361 employees were in jobs that were assigned a grade one or more grades higher than they should have been assigned and 3,277 employees had wages above the maximum wage for their grade.

As much protection as the merit system provides for employees, there are still major inequities in state employment policies. The major reason for this is that the merit system only works one way. There is no mechanism for ALL employees to communicate their collective opinion of what is fair and reasonable treatment.

It is my opinion that state employees should have the right to have a system to articulate their combined opinion of what is fair treatment to ALL employees if THEY WANT TO HAVE ONE. It is obvious to me that some state employees have more influence with their employer than other employees and therefore receive better treatment.

I proposed a wage equity program in the 2000 session of the General Assembly which would have, over a six-year period, eliminated most of the inequities in the state employee compensation system. My proposal would have helped nearly 80% of state employees and yet most state employees that contacted us were opposed to it. I believe they were opposed because they were not fully informed about what I was proposing. It was not an attempt to save money. It would have cost \$77.5 million more than the present pay system over the biennium. Nonetheless, it was not adopted by the General Assembly.

Still wanting to address the problem that existed, I did, by Executive Order effective July 1, 2000, resolve some of these inequities. This Order:

1. established a new wage schedule with a uniform 10% increase for each increase in grade;
2. increased the midpoint wage of each grade by the Cost of Living Index and increased the beginning wage for each grade by 5% plus the Cost of Living Index. I intend to do the same on July 1 of 2001; and
3. raised the grade of all job classifications which were 5, 4, or 3 grades too low to 2 grades lower than the job deserves. I intend to raise job classifications which are 2 grades too low another grade on July 1, 2001. This will still leave almost 13,000 employees below grade. I intend to correct this inequity by July 1, 2002 if at all possible.

These actions will not bring total equity to the state compensation system. They will, however, improve the situation.

But it should not be up to the Governor alone to protect the interests of state employees. They should have the right to form an organization to represent themselves if they wish to do so. The decision to form an employee organization is up to the employees. The decision to permit such an action and to recognize such an organization to communicate the employee's position on employment issues is up to me.

The complete text of the Executive Order establishing the Governor's Employee Advisory Council may be viewed on this website.

We have also posted on the website a complete listing of what I have done and intend to do by Executive Order to achieve as much wage equity as I can with the authority I now possess. This document is entitled "Employee Wage Equity."

Again, I say to state employees, I appreciate what you do for the people of Kentucky and what you have done for me and my administration.

It is not for me to say that you want or need to be represented by an employee organization. I am saying that if the majority of employees of any of the nine employee units established in the Executive Order want an organization to represent them then I will recognize that organization and discuss with it in good faith what I will do and what I will recommend to the General Assembly that they do regarding state employee matters.

Thank you for your service.